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# Facts for NORTHEAST COMMITTEEMEN

*Issued by the Northeast Division*  
Agricultural Adjustment Administration  
U.S.D.A. Washington, D. C.

VOL. I

OCTOBER 1939

NO. 9

## EVER-NORMAL GRANARY PROVIDES ECONOMIC STABILITY

The Ever-Normal Granary plan is not new. It is as old as ancient civilization. It is simply a plan of storing the surpluses of the fat years for use in the lean years. In the AAA program it means the storing of food and fiber in years such as the one we have just had for use in years such as 1934 and 1936. It means a more regular flow of farm products into the Nation's markets -- greater economic stability for both producer and consumer.

The Ever-Normal Granary is designed for peacetime, but it is especially useful in a world at war. Farmers now have, through the mechanism of the Ever-Normal Granary, a means for taking advantage of situations of this sort in a way that is not to the disadvantage of the consumer. A beginning was made in the drought of 1934. With the corn placed under loan in 1933, farmers and consumers were better off than they otherwise would have been.

Today, when many nations are at war, farmers are more able to take advantage of the Ever-Normal Granary, and with great quantities of corn stored up, it is a very great safeguard to the consumer. There is close to 11 million bales of cotton in storage either under the cotton loan or in government hands as a result of the loan. There may be as much as 200 million bushels of wheat under this year's loan. From previous crops farmers have about 257 million bushels of corn sealed under loan, and this corn with the amounts that probably will be stored if a corn loan is available this year, will give the Nation a full Ever-Normal Granary.

The Ever-Normal Granary today is more than an idea. It is a reality. It is something we didn't have in the last war. It gives us added national security.

These additional supplies will be available for feeding if the demand for pork and other livestock products rises sharply in the near future. They

offer northeastern dairymen and poultrymen protection against excessive increases in the price of feed. They remove the necessity for increased planting that might ultimately be ruinous. Furthermore, the corn supply is a protection against any feed shortage that might be caused by drought in 1940 or succeeding years.

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### AGRICULTURAL ADVISORY COUNCIL MAKES REPORT

Immediately after the outbreak of war in Europe, Secretary Wallace appointed an Agricultural Advisory Council whose membership represents farmers, businessmen who process and distribute farm products, labor, and the general public. The function of the Council is to consult with and advise the Department of Agriculture in formulating policies in this period of rapid change. At its first meeting last month, the Council issued the following statement:

"All Americans want to keep this country out of war. We are determined that the United States will remain at peace, but we recognize the difficulties which foreign wars present to our domestic economy. This Council has concerned itself with these difficulties.

"The war in Europe will strengthen many farm prices here, but consumers need have no fear of shortage or runaway prices. Such advances in farm prices as may occur will tend to restore the balance between farm and city prices and help to bring about normal business and employment.

"We are in a much better all-around position to meet emergencies than we were at the outbreak of the last war. From farm to kitchen, the whole system of producing, processing and distributing has been greatly simplified and improved.

"The Department of Agriculture, with the full cooperation of the groups represented by this Council, is the medium through which the efforts of the agencies represented here can be most effective.

"Whatever is done, must be done through voluntary means without regimentation. Action should be directed toward securing and maintaining proper balance by means of fair prices for farm products, fair wages for labor and fair profits for business.

"It should be emphasized that the prices of most farm products are still low, despite some recent increases, and that the general welfare demands that the prices of farm products rise to their proper relationship with other prices and wages."

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The twin cities of Allentown-Bethlehem have been selected as the ninth area in which the food stamp plan for distributing surpluses through normal channels of trade will be put into operation.

## FARMERS TO ELECT 1940 COMMITTEE MEMBERS

Community meetings of farmers to discuss the 1940 AAA program, to elect community committees for next year, and to choose delegates to the county committee election meetings, have started in the Northeast Region. The community meetings will be held in each of the nine states during the next several weeks.

At these meetings, conducted in typical "town meeting" style, each farmer who participated in the 1939 conservation program, or who plans to participate next year, is entitled to a vote in the election of committee members. The meetings will be conducted by committeemen.

Because the community committees are now as a rule responsible for assisting other farmers in the communities to understand the program and participate in it, as well as to help county committees determine acreage allotments for the farms in these communities, the elections are more important than ever.

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## FARMERS ORGANIZED TO MEET CHANGING SITUATIONS

"During the six and one-half years under the Triple-A, farmers have built up an organization through the processes of economic democracy which can carry out any farm program that it may be necessary to adopt to meet rapidly changing situations. In every farm county in the United States, farmers themselves have elected certain of their neighbors to serve as county and community committeemen for the local administration of this program. In every agricultural county in the United States, the leadership which has come up through this process has gained invaluable experience in local administration.

"I ask you to stop and consider the importance of this county committee set-up. It is one of the most significant developments that has occurred in the history of American agriculture. It is one of the largest experiments in economic democracy. By economic democracy I mean the application of the democratic principle to our economic life. It is an extension of our political democracy to our dollars-and-cents affairs. "*(From Administrator R.M. Evans' address before the convention of the Grain and Feed Dealers Association, at Minneapolis, Minnesota, October 3, 1939)*

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## OVER 6000 GROWERS INSURE WHEAT CROP

As of October 4, premiums had been paid on a total of 6,438 policies for winter wheat crop insurance by growers in the Northeast Region. By states there are 757 policies in New York, 81 in New Jersey, and 5,600 in Pennsylvania. The above total, not yet complete, is more than double the 2,982 policies issued in those three States last year.



## WAR CHANGES FOREIGN FARM POLICIES

Indications are that the government of Australia will soon proclaim a control over existing wheat and flour stocks; that a control over exports of those products will be instituted; and that the United Kingdom will purchase the entire exportable surplus, except for authorized shipments on a small scale to other destinations.

Emergency regulations recently issued under the National Defence Act of the United Kingdom have placed the entire agricultural industry of that country under the control of the British Minister of Agriculture during the war. The objective is to assure that farm land in the United Kingdom will be used to its maximum efficiency for the production of essential foodstuffs.

The program calls for placing in cultivation an additional 2,000,000 acres of farm land before December 31, 1939. To expedite the realization of that objective the Government will pay a subsidy of \$8.08 per acre on approved grassland that is ploughed up before the end of the current year.

Farmers are being urged to sow as much winter wheat as possible and to make large increases in the acreage devoted to oats, barley, flax, and potatoes next spring. In thus urging farmers to go on a war basis, it is obvious, says the Office of Foreign Agricultural Relations, that the Government hopes to bring about the necessary shifts in agricultural production much more rapidly than during the last war.

The British Food Defence Department is to have sole authority over the importation of all essential foodstuffs into the United Kingdom. Among its functions will be the acquisition of foreign supplies of foodstuffs, the imposition of domestic price control measures, and the organization and control of distribution. The Ministry will have a complete monopoly of the British import trade in foodstuffs.

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## BETTER DEMAND FOR FARM PRODUCTS EXPECTED

An improved demand for farm products during the last quarter of this year has been forecast by the Bureau of Agricultural Economics. The basis for the forecast is the expansion in industrial activity and consumer incomes in recent months, accelerated now by war conditions. Producers were cautioned, however, not to expect a "run-away" market, since supplies of practically all farm products are more than enough for current and prospective needs.

The Bureau said that although some of the recent commodity price gains may be lost as adjustments are made to actual conditions, "It seems probable that the effect of the European war will be to strengthen both domestic and export demand for farm products in general. The war is likely to decrease European production of some commodities and cause belligerent nations to have less regard than in peacetime for the effects of imports on their financial resources or domestic economic programs."